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August 29, 2007

Dominique Blom
Deputy Assistant Secretary
Office of Public Housing Investments
451 7th Street S.W., Room 4130
Washington, DC 20410

Dear Ms. Blom:

Enclosed is the Delaware State Housing Authority's Moving To Work Annual Report for FY2007, which ended June 30, 2007 and has been adopted by General Order No.491.

If you have any questions, please feel free to contact me at (302) 739-7416 or by email at chrisw@destatehousing.com.

Sincerely,

CHRISTOPHER A. WHALEY
Housing Management Program Administrator

dld

Enclosure

cc: Dennis Bellingtier, U.S. Department of Housing and Urban Development, Philadelphia
Keith Landrum, U.S. Department of Housing and Urban Development, Philadelphia

DELAWARE STATE HOUSING
AUTHORITY

MOVING TO WORK

FY2007 ANNUAL REPORT

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INTRODUCTION

This document serves as the Delaware State Housing Authority's (DSHA) Moving to Work (MTW) Annual Report for FY2007. This MTW Report covers data/activities for the entire preceding fiscal year (July 1 to June 30).

The basic format of this report is defined by the MTW Agreement between U.S. Department of Housing and Urban Development (HUD) and DSHA. Each of the following sections provides information and explanations on changes that have occurred during the past year in different operational areas of the MTW Program.

DSHA is proud to report that since MTW implementation in August 1999, there have been 468 families who have successfully completed the MTW Program. One hundred and sixty-three have purchased homes and 305 have either begun paying the full rent at their current unit or moved to another unit and are paying full rent there. Though some of those families would undoubtedly have been successful without MTW, we feel that the majority became successful by taking advantage of the counseling and social services made available through the program as well as the savings they accumulated while in the program.

In March 2006, DSHA signed another three-year extension and the MTW Demonstration Agreement will now expire June 30, 2009. DSHA is continuing efforts to obtain approval for permanent MTW status, and our efforts, along with those of several other MTW housing authorities, have been favorably acknowledged by being included in legislation pending in Congress.

SECTION I HOUSEHOLDS SERVED

At year's end there were no significant changes in the total number of households served in Public Housing. Our Public Housing families remained around 500. The number of Housing Choice Voucher families served decreased at the end of FY2007 by less than 5% due to a large number of turnovers. These vouchers are in the process of being reissued, with a target of being fully utilized within 60 to 90 days. Even with this decrease in families served at the end of the fiscal year, the overall utilization rate for the period was 95%.

TABLE 1 - NUMBER OF HOUSEHOLDS SERVED

TABLE 1a - PUBLIC HOUSING

	Total Households		Bedroom Size									
			0 –1 BR		2 BR		3 BR		4 BR		5 BR	
	6/07	6/06	6/07	6/06	6/07	6/06	6/07	6/06	6/07	6/06	6/07	6/06
Safety Net	42	N/A	0	N/A	13	N/A	21	N/A	7	N/A	1	N/A
MTW	242	258	2	6	121	152	90	122	27	39	2	5
Market Lease	36	N/A	3	N/A	15	N/A	11	N/A	5	N/A	2	N/A
Elderly/Disabled	174	233	97	97	48	48	24	23	3	3	2	1
Total	494	491	102	103	197	200	146	145	42	42	7	6

TABLE 1b – HOUSING CHOICE VOUCHERS

	Total Households		Bedroom Size									
			0 –1 BR		2 BR		3 BR		4 BR		5 BR	
	6/07	6/06	6/07	6/06	6/07	6/06	6/07	6/06	6/07	6/06	6/07	6/06
Safety Net	54	N/A	0	N/A	15	N/A	33	N/A	5	N/A	1	N/A
MTW	151	253	5	4	55	89	71	133	19	25	1	2
Elderly/Disabled	650	588	230	205	238	218	159	148	22	16	1	1
Total	855	841	235	209	308	307	263	281	46	41	3	3
PH & S8 Grand Total	1349	1337	337	312	505	507	409	426	88	83	10	9

Since last year, the percentage of MTW families with wages has increased 7.6% for Public Housing and decreased less than 1% for Housing Choice Vouchers. The average wage income increased 11% for Public Housing and 10% for Housing Choice Voucher families. During FY2006 a significant number of original MTW participants finished their five (5) year contract with the MTW program, which resulted in a decrease in wage income for that period. The families that replaced the original MTW participants are now completing their first full year in the MTW program (FY2007), and have already increased their earning potential. This trend should continue as long as the economy remains stable in Delaware. The increase in the percentage of households with wages for Public Housing is attributed to the low turnover of MTW families and overall vacancies at Public Housing sites during FY2007. Accordingly, the small decrease in the percentage of households with wages for the Housing Choice Voucher program is due to the high turnover of MTW voucher participants during FY2007. See Table 2a.

TABLE 2 - WAGE AND AREA MEDIAN INCOME (AMI) LEVELS OF HOUSEHOLDS SERVED

TABLE 2a - ANNUAL WAGE INCOME OF MTW HOUSEHOLDS

	Percentage of Households with Wages		Average Wage Income per Household	
	6/07	6/06	6/07	6/06
Public Housing	83.3%	75.7%	\$13,805	\$12,407
Housing Choice Voucher	64%	65%	\$13,471	\$12,260

In reference to the Average Median Income (AMI) levels for Public Housing and Housing Choice Vouchers (See Tables 2b and 2c); there has not been a significant change in number of families in the 30%, 50% and 80% categories. These statistics have remained fairly stable.

TABLE 2b - PUBLIC HOUSING - AMI LEVELS

	Total Households		Below 30% AMI		Between 30% and 50% AMI		Between 50% and 80% AMI		Over 80% AMI	
	6/07	6/06	6/07	6/06	6/07	6/06	6/07	6/06	6/07	6/06
Number of Households	494	496	327	337	107	113	42	44	8	2
Percent	100%		67%	68%	22%	23%	9%	9%	>1%	>1%

TABLE 2c – HOUSING CHOICE VOUCHER - AMI LEVELS

	Total Households		Below 30% AMI		Between 30% and 50% AMI		Between 50% and 80% AMI		Over 80% AMI	
	6/07	6/06	6/07	6/06	6/07	6/06	6/07	6/06	6/07	6/06
Number of Households *	855	841	607	622	222	193	26	26	0	0
Percent	100%		71%	74%	26%	23%	3%	3%	>1%	>1%

There were no significant changes in the racial and ethnic compositions of the resident population of either Housing Choice Voucher or Public Housing. DSHA has not adopted any new policies that would have an effect on racial distribution.

TABLE 3 - RACE/ETHNICITY OF HOUSEHOLDS SERVED**TABLE 3a - PUBLIC HOUSING - RACE**

	Total Households		White		Black		Alaskan/ Native American		Other	
	6/07	6/06	6/07	6/06	6/07	6/06	6/07	6/06	6/07	6/06
Number	494	496	114	116	374	374	3	3	3	2
Percent	100%		23%	23%	75%	76%	1%	1%	>1%	>1%

TABLE 3b – HOUSING CHOICE VOUCHER - RACE

	Total Households		White		Black		Alaskan/ Native American		Other	
	6/07	6/06	6/07	6/06	6/07	6/06	6/07	6/06	6/07	6/06
Number	855	841	318	305	526	526	4	5	3	5
Percent	100%		37%	36%	62%	63%	>1%	>1%	>1%	>1%

TABLE 3c - PUBLIC HOUSING - ETHNICITY

	Total Households		Hispanic		Non-Hispanic	
	6/07	6/06	6/07	6/06	6/07	6/06
Number	494	496	12	12	482	483
Percent	100%		2.6%	2.6%	97.4%	96.1%

TABLE 3d - HOUSING CHOICE VOUCHER - ETHNICITY

	Total Households		Hispanic		Non-Hispanic	
	6/07	6/06	6/07	6/06	6/07	6/06
Number	855	841	30	32	819	809
Percent	100%		3%	3.8%	97%	96.2%

The waiting list is a combined list for Housing Choice Vouchers and Public Housing. MTW-eligible applicants are provided the type of housing that is available when their name comes to the top of the list. See Table 4 for a breakdown of families by bedroom size requirements.

The average waiting time for those who moved into both Public Housing and Housing Choice Voucher units during FY2007 was 33 months and 26 months respectively. This is one month longer for Public Housing and five months longer for Housing Choice Vouchers compared to last year. At the start of MTW in 1999, however, the average wait was about 22 months.

The total number of applicants increased by 556 to 3360 as of June 30, 2007. This is a 20% increase over the number of applications received at the end of FY2006. This can be attributed to the successful implementation of the "E-Housing" on-line application in January 2007. This web-based application process has significantly increased the number of applications received. Now applications can be submitted in person, via the mail, using fax services or on-line via a link to DSHA's web site.

The problem of applicant rejection of our Public Housing, which has been cited in recent years, still exists, though not as bad as several years ago. Some applicants express a desire for a Housing Choice Voucher and will turn down Public Housing and reapply to the waiting list because they are in a stable enough situation to be able to wait until their name comes to the top again with a chance they will be offered a voucher.

Installation of the central air-conditioning at our Public Housing developments was completed during FY2007. Many residents in the units with new central air have expressed their gratitude to their housing managers for this much-needed upgrade. We hope this will help improve applicants' willingness to accept Public Housing.

Criminal history checks on adult family members continue to disqualify some families.

TABLE 4 – NUMBER OF HOUSEHOLDS ON WAITING LIST

	Total Households		Bedroom Size									
			0 – 1 BR		2 BR		3 BR		4 BR		5 BR	
	6/07	6/06	6/07	6/06	6/07	6/06	6/07	6/06	6/07	6/06	6/07	6/06
MTW Eligible	2111	1532	373	316	954	679	642	377	203	132	41	28
Elderly/Disabled	1249	1272	758	871	241	251	111	121	31	22	6	7
Total	3360	2804	1131	1187	1195	930	753	498	234	154	47	35

SECTION II OCCUPANCY POLICIES

There were no changes in concentration of lower-income families by program. As stated in the Annual Plan, poverty levels are low in all census tracts in our jurisdictional area.

Housing Choice Voucher occupancy policies were changed at the beginning of MTW to include a working preference and elimination of federal preferences. Both Public Housing and Housing Choice Voucher continue to have the same preferences.

RENT POLICY

DSHA increased the rent from 30% to 35% of income for all MTW participants at the beginning of MTW.

Also, in the transition to the MTW Program DSHA instituted a rent cap that allows MTW participants to save all amounts over their rent cap up to their 35% rent. At the end of FY2007, there were 331 savings accounts established with an average balance of \$2,135.67.

SECTION III CHANGES IN THE HOUSING STOCK

The number of units available in the Public Housing program remains at 503. No additional Public Housing stock is expected for the remainder of the MTW Program Demonstration.

Three (3) Conversion Vouchers were received during FY2007 specifically for Brightway Commons Apartments in Milford, Delaware. These Conversion Vouchers will become part of DSHA's baseline Housing Choice Vouchers if the participants do not choose to utilize them at Brightway Commons. The total number of vouchers currently administered by DSHA is 905. The utilization rate as of June 30, 2007 was 95%. The reason for the decrease in utilization during FY2007 was caused by a higher than normal turnover of existing Housing Choice Voucher participants and a decrease in the number of affordable units available to new voucher holders.

Because of the increase in Total Tenant Payment from 30% to 35% for Public Housing and Housing Choice Voucher MTW families, funding equivalent to the MTW monthly per unit cost of \$554 for 58 Housing Choice Vouchers was realized. Most of these funds were placed into the MTW Operating Reserves and used to help pay the cost of adding air conditioning and perimeter fencing at several PH developments.

TABLE 5 – CHANGES IN HOUSING STOCK

Program	Beginning of FY2007	End of FY2007 Planned	End of FY2007 Actual
Public Housing	503	503	503
Housing Choice Vouchers	902*	905*	855*
Other Programs	65	65**	65**
Total	1661	1508	1470

* Includes: 902 baseline vouchers and three (3) conversion vouchers received January 2007.

SECTION IV

SOURCES AND USES OF FUNDS

BUDGET VS ACTUALS

MTW BUDGET VERSUS ACTUALS BY PROGRAM FOR FY07 :

Sources and Uses of Funds

CATEGORY	PUBLIC HOUSING			PUBLIC HOUSING CAPITAL FUND			SECTION 8 VOUCHER			COMMUNITY SERVICE BLOCK GRANT			TOTAL MTW		
	BUDGET	ACTUALS	DIFFERENCES	BUDGET	ACTUALS	DIFFERENCES	BUDGET	ACTUALS	DIFFERENCES	BUDGET	ACTUALS	DIFFERENCES	BUDGET	ACTUALS	DIFFERENCES
Revenue															
Dwelling Rent	\$556,070	\$522,234	(\$33,836)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$556,070	\$522,234	(\$33,836)		
Investment Income	50,900	81,172	30,272		4,090	5,941	1,851				54,990	87,113	32,123		
Other Income	142,160	435,256	293,096		65,380	98,983	33,603	335,000	335,000	0	542,540	869,239	326,699		
PH Operating Subsidy	2,082,070	1,941,529	(140,541)								2,082,070	1,941,529	(140,541)		
PH Capital Funds				956,200	1,284,596	328,396					956,200	1,284,596	328,396		
Section 8 Grants							5,838,698	5,768,229	(70,469)		5,838,698	5,768,229	(70,469)		
Total Revenue	\$2,831,200	\$2,980,191	\$148,991	\$956,200	\$1,284,596	\$328,396	\$5,903,168	\$5,873,153	(\$35,015)	\$335,000	\$335,000	\$10,472,940	\$10,442,372		
Expenses															
Administration	\$709,600	\$792,435	(\$82,835)	\$70,000	\$60,399	\$9,601	\$482,950	\$823,046	(\$340,096)	\$0	\$0	\$1,262,550	\$1,675,880	\$413,330	
Tenant Services	15,000	10,477	4,523	0	0	0	100,900	90,762	10,138	335,000	335,000	0	436,239	(14,661)	
Utilities	500,620	474,247	26,373									500,620	474,247	(26,373)	
Maintenance	1,402,770	1,635,221	(232,451)									1,402,770	1,635,221	232,451	
Protective Services	0	0	0	40,000	0	40,000						40,000	0	(40,000)	
General	571,890	584,559	(12,669)				0		0			571,890	584,559	12,669	
Resident Homeownership							25,000		25,000			25,000	0	(25,000)	
Total Routine	\$3,199,880	\$3,496,939	(\$297,059)	\$110,000	\$60,399	\$49,601	\$608,850	\$913,808	(\$304,958)	\$335,000	\$335,000	\$4,253,730	\$4,806,146	\$552,416	
Routine Maintenance				\$82,720	\$85,155	(\$2,435)	\$0		\$0			\$82,720	\$85,155	\$2,435	
Capital Outlays				763,480	1,139,042	(375,562)	250,000	0	250,000			1,013,480	1,139,042	125,562	
Payments to Landlords							4,970,380	4,308,637	661,743			4,970,380	4,308,637	(661,743)	
Total Expenses	\$3,199,880	\$3,496,939	(\$297,059)	\$956,200	\$1,284,596	(\$328,396)	\$5,829,230	\$5,222,445	\$606,785	\$335,000	\$335,000	\$10,320,310	\$10,338,980	\$18,670	
Operating Reserves	(\$368,680)	(\$516,748)	(\$148,068)	\$0	\$0	\$0	\$78,938	\$650,708	\$571,770	\$0	\$0	(\$289,742)	\$133,960	\$423,702	

SECTION V NARRATIVE - BUDGET vs ACTUALS

MTW - REVENUES

FY07 was the seventh year of DSHA's MTW Demonstration. MTW revenue sources for the Delaware State Housing Authority consist of Dwelling Rent, Investment Income, Other Income, Operating Subsidies, Capital Funds and Housing Choice Voucher Grants. Discussed below are the budgeted revenue sources in the FY07 MTW Annual Plan versus actual receipts for the year.

- **Dwelling Rent.** Rental Income was less than anticipated this year due in large part to rising utility allowances which lowers rental income. Monthly average utility allowances rose from \$143.48 in June 2006 to \$184.07 on June 2007.
- **Investment Income.** Rising interest rates and returned interest income from forfeited MTW accounts resulted in increased investment income for the Public Housing and Housing Choice Voucher Programs for the year.
- **Other Income.** Total other income for the MTW program was \$869,239 which was \$326,699 greater than the budgeted amount of \$542,540. Public Housing's other income in the amount of \$435,256 includes \$67,010 in laundry and telephone receipts, maintenance, court and late fees received from tenants. Also included are forfeited MTW escrow savings in the amount of \$121,339, Gains on Disposal of Property for \$71,854 from the sale of one Scattered Site Home, \$12,506 from Daycare Centers located at Laverty lane and Hickory Tree and \$13,750 in community building rental at Holly Square. Actual receipts were greater than budgeted in FY07 due to increased MTW forfeitures and the return of \$175,053 from the First State Community Loan Fund for the remaining balance in the IDA Program.

The Housing Choice Voucher Program includes \$159 received for fraud recover payments and \$134,669 from forfeitures of MTW escrow savings which were greater than anticipated this year. Forfeitures occur when a tenant voluntarily leaves the MTW Program, does not complete the COMP (Contract of Mutual Participation), is dismissed from the Program or ends their five year contract with the MTW Program unsuccessfully.

Community Services Block Grant provides funding in support of case management through two not-for-profit Agencies: First State Community Act and Peoples Place. The case managers work with DSHA's Housing Choice Voucher holders. The funds are provided to the State Division of Community Services pass through from the U.S. Department of Health and Human Services.

- **Operating Subsidies.** The agency receives an operating subsidy for its Public Housing units based on prior year PUM levels increased by inflation rates and utility rates with consumption estimates per DSHA's MTW agreement. The subsidy request for CY06 and CY07 was \$2,313,409 and \$2,419,641 respectively. Given that DSHA's FY07 is funded

50% from each of the above mentioned calendar year requests, subsidy would have been \$2,336,525. The FY07 budget recognized subsidy revenues of 88% of the total requested in the amount of \$2,082,070 while actual receipts were \$1,941,529. The decrease shown for operating subsidy for the Public Housing Program was due to greater subsidy proration than anticipated and that HUD has yet to approve a final proration for CY07.

- **Public Housing Capital Funds.** In accordance with new guidelines under GAAP, the revenue reported as budgeted is the amount that the agency actually anticipates in receiving for all years funded, not the amount that the agency anticipates being awarded in new funds in FFY07. In FY07, revenue received to cover contractual obligations were greater than anticipated due to capital expenditures as discussed in the Capital Expenditures section.
- **Housing Choice Voucher Grant.** The grant calculation received each fiscal year for the Housing Choice Voucher Program is described in the MTW Agreement. The calculated grant amount for CY06 and CY07 was \$6,172,065 and \$6,418,944 respectively. Given that DSHA's FY07 is funded 50% from each of the above mentioned calendar year requests, subsidy would have been \$6,295,505. The FY07 budget recognized subsidy revenues of 93% of the total requested in the amount of \$5,838,698 while actual receipts were \$5,768,229. FY07 funding was less than anticipated due to HUD notification of funding proration for CY07.

EXPENDITURES

MTW program expenses for FY07 consist of Administration Expense, Tenant Services, Utilities, Maintenance, Protective Service, General Expense, Resident Home Ownership, Routine Maintenance, Capital Outlays and Payments to Landlords. A broad overview of budget versus actual expenditures is listed below.

- **Administration Expense.** Public Housing, Public Housing Capital Fund and the Housing Choice Vouchers Program have administrative expenses including salaries, legal, staff training/travel, auditing fees, supplies and postage where appropriate. All salary expenses were greater than anticipated due to the Delaware General Assembly approving a greater than budgeted salary increase. The Housing Choice Voucher Program includes greater than budgeted indirect costs in this line to cover all employees supporting this program. In FY08, the Voucher Program will be direct charged for all salaries pertaining to the program.
- **Tenant Services.** The Public Housing budget included funding for educational and recreational activities for children, self-sufficiency training, internet access at all sites, computer training programs and \$4,170 to fund organized tenant council expenses. There were no tenant council expenses in FY07.

The Housing Choice Voucher Program funds the costs of two not-for-profit organizations that provide financial counseling for Public Housing and Housing Choice Voucher participants.

Community Services Block Grant covers the expense of case managers who work with Housing Choice Voucher holders as discussed previously.

- **Utilities.** FY07 utilities were budgeted to include estimated increases for rising utility costs. FY06 utility expenses were \$422,922 compared to \$474,247 for FY07 which represents a 13% increase from the prior year but, that was less than anticipated.
- **Maintenance.** Maintenance salaries of site personnel, materials/supplies, and contractual costs including trash pickup, grass cutting, exterminating and routine painting of empty units at all sites are combined in this category. Public Housing's costs were greater than budgeted due to air conditioning service, power washing, landscaping and emergency repairs at several sites.
- **Protective Service.** Protective services were budgeted at \$40,000 from the Capital Fund Program for FY07. There were no expenses in FY07.
- **General Expense.** Grouped in this area are payments in lieu of taxes to counties and school districts, employee benefit contributions, collection loss and insurance expense. Employee benefit costs rose in FY07 with increases in pension contributions and health care costs.
- **Routine Maintenance.** The expense amount represents site maintenance including replacement of flooring, landscaping and sidewalk replacement at various Public Housing sites.
- **Capital Outlays.** Funds from the Capital Fund Program were used for roof replacements at Liberty Court, drainage improvements at Hickory Tree, door replacements at Burton Village and Hickory Tree, as well as the completion of HVAC upgrades at Laverty Lane. Projects that were started in FY07 include HVAC upgrades at Hickory Tree.
- **Payments to Landlords.** Resident turnovers created expenditures that were less than budgeted in FY07.

OPERATING RESERVES

Operating Reserves for Public Housing at the end of FY 2007 were \$398,330 which represents approximately one and one half months of routine operating expenses for the Public Housing Program.

Operating Reserves for the Housing Choice Voucher Program at the end of FY 2007 increased to \$655,017. Based on DSHA FY1999 (MTW Base Year), the agency would maintain it's 'A' scoring for the life on the MTW Demonstration. And under MTW, there are no longer any specific thresholds for reserves.

OPERATING RESERVES

	Beginning of Year	FY2007 Increase/Decrease	End of Year
Public Housing	\$915,078	(516,748)	\$398,330
Housing Choice Vouchers	\$4,309	650,708	\$655,017
TOTAL MTW	\$919,387	133,960	\$1,053,347

SECTION VI CAPITAL PLANNING

This section compares FY2007 budgeted capital work items with the actual FY2007 capital expenditures by property.

A. BUDGETED FY2007 CAPITAL WORK ITEMS VS. ACTUAL EXPENDITURES

Following is a comparison of the FY2007 budgeted public housing capital work items with the actual capital expenditures in FY2007.

ACTIVITY	COMMUNITIES	ORIGINAL BUDGET	REVISED BUDGET	EXPENDED
Architect Fees for Reroofing	Liberty Court	10,000.00	11,861.26	546.00
Roof Replacement	Liberty Court	440,000.00	511,350.00	373,450.86
Architect Fees for HVAC Upgrades	Hickory Tree	36,500.00	38,368.00	34,451.20
HVAC Upgrades	Hickory Tree	388,880.00	377,300.00	314,992.80
Plumbing Repairs	McLane Gardens	12,325.00	12,325.00	12,325.00
HVAC Upgrades	Lavery Lane	37,419.00	37,419.00	37,419.00
Security Fence Installation	Mifflin Meadows	11,871.36	11,871.36	11,871.36
Architect Fees for Exterior Door Replacements	Burton Village	8,500.00	7,250.00	6,160.47
Exterior Door Replacements	Burton Village	150,000.00	172,310.00	159,093.25
Concrete Pads & Sidewalks	Lavery Lane	35,000.00	29,297.64	29,297.64
Architect Fees for Exterior Door Replacements	Hickory Tree	12,000.00	13,500.00	5,956.00
Door Replacements	Hickory Tree	185,000.00	203,118.60	107,229.00
Architect Fees for Drainage Improvements	Hickory Tree	5,500.00	6,412.00	6,412.00
Drainage Improvements	Hickory Tree	58,161.00	58,395.00	58,395.00
Shed Replacement	Holly Square	6,000.00	7,046.00	7,046.00
Replace Flooring	Hickory Tree	5,000.00	10,000.00	9,397.38
Sidewalk Replacements	Clark's Corner	12,500.00	13,633.53	13,633.53
Light Fixtures	Mifflin Meadows	1,180.00	1,180.00	1,180.00
Engineer Fees for Meter Bank Replacements	Liberty Court	6,328.00	6,328.00	3,000.00
Siding Replacement	Holly Square	1,000.00	1,118.00	1,118.00
HVAC Plumbing Upgrade	Liberty Court	16,000.00	14,904.00	14,904.00
Landscaping	Mifflin Meadows	5,000.00	3,395.00	3,395.00
Sidewalk Replacements	Scattered Site	5,000.00	4,697.28	4,697.28
HVAC Upgrades	Clark's Corner	5,000.00	4,766.00	4,766.00
Management Improvements- Bid Advertising/Printing		5,000.00	5,000.00	3,400.15
Software Yearly Main. Fee	Will Be Used Authority Wide	60.00	60.00	60.00
Administrative Costs	Will Be Used Authority Wide	60,398.71	60,398.71	60,398.71
Capital Program Totals		1,519,623.07	1,623,304.38	1,284,595.63

B. DISCUSSION OF THE CAPITAL BUDGET AND EXPENDITURE AMOUNTS

Following are descriptions of the expenditures made during the fiscal year and a status report on Capital Budget activities during FY2007.

Roof Replacement – The work consists of replacing all the apartment and community building roofs at Liberty Court Phase I and II; to be completed in FY2008.

HVAC Upgrades – HVAC upgrades including new heat pumps will be completed at Hickory Tree in FY2008.

Security Fencing – A security perimeter fence was installed at Mifflin Meadows.

Drainage Improvements – Drainage improvements were completed at the Hickory Tree Community Center playground.

Shed Replacement – A new storage shed was purchased for Holly Square.

HVAC Upgrades – HVAC plumbing upgrades were completed at Liberty Court.

Exterior Door Replacement – The work consisted of replacing HVAC closet doors, and storage doors at Hickory Tree.

Exterior Door Replacement – The work consists of replacing screen doors, back doors and storage doors at Burton Village; to be completed in FY2008.

Plumbing Pipe Replacements - Piping was replaced in the community building at McLane Gardens.

Sidewalk Replacements – Sidewalks and pads were replaced at Laverty Lane, Clark's Corner and a Scattered Site.

Replace Flooring – New flooring including VCT and cove base was replaced in units at Hickory Tree.

HVAC Upgrades – HVAC upgrades including new furnaces and hot water heaters were completed at Laverty Lane during FY06 and FY07.

SECTION VII MANAGEMENT INFORMATION FOR OWNED AND MANAGED UNITS

This section compares the projected management performance during FY2007 with the actual performance during this period.

A. VACANCY RATES

DSHA projected a vacancy rate of one percent for FY2007, but the actual rate was two percent.

OCCUPANCY BY DEVELOPMENT – 7/1/06 – 6/30/07

Development	# of Units	Number of Units Vacated FY2007	Occupancy on 6/30/07
Burton Village	51	5	100%
Clarks Corner	70	12	97%
Hickory Tree	55	14	98%
Holly Square	24	2	100%
Laverty Lane	50	13	96%
Liberty Court	108	17	96%
McLane Gardens	29	6	97%
McLane Gardens Annex	21	6	100%
Mifflin Meadows	54	20	100%
Peach Circle	32	5	97%
Scattered-site rentals	9	2	92%
Total	503	102	

B. RENT COLLECTIONS

DSHA projected a 98% collection rate for FY2007 and achieved a 96% rate. DSHA's goal for the collection rate for FY2008 is to be above 98%.

On March 1, 2003 DSHA implemented a lockbox method of rent payment for Public Housing residents. The system continues to operate effectively and also saves a considerable amount of staff time when compared to the previous rent collection process.

C. INSPECTIONS

DSHA inspects 100% of its Public Housing units twice a year to ensure that they meet Housing Quality Standards (HQS). Each resident file has documentation of these inspections.

D. SECURITY

DSHA contracts with the Delaware State Police for security patrols at Public Housing sites as necessary and the services are paid with Capital Fund Program proceeds. Currently DSHA has partnered with the local police at Clarks Corner Apartments to monitor a security camera system that was installed at the site during 2006. This partnership has worked well during the past year to reduce criminal activities at Clarks Corner. In addition, during FY2008, DSHA has plans to install similar systems at four (4) additional Public Housing sites (Mifflin Meadows, Burton Village, Liberty Court and Hickory Tree) using both Capital Funds and Housing Choice Voucher reserves.

Activities and programs aimed at reducing drug and other criminal activity have been drastically curtailed since the Public Housing Drug Elimination Program is no longer funded. Activities still available and aimed at prevention are listed below.

1. DSHA reviewed its MOU with the Boys and Girls Club of Delaware to continue summer and after-school programs for up to 30 children at Liberty Court. The program includes Project Learn, which has a Power Hour homework assistance activity and technology instruction such as web-page building and conducting research on the Internet. Field trips and recreational activities are also offered.
2. DSHA continued the MOU with Delaware State University to offer 4-H Programs at both Mifflin Meadows and McLane Gardens. Each site will have 2 days during the summer and 2 afternoons during the school year of 4-H activities for youth ages 8 to 15 years old.
3. DSHA is in its fifth year of an MOU with the University of Delaware, Cooperative Extension to provide the Spartan Success Program at Clarks Corner. This program is aimed at students K – 12 and is operated in conjunction with 4-H. Activities include academic and social skills, as well as recreation. Approximately 20 – 30 attend summer and after-school activities.
4. DSHA has continued an MOU with the University of Delaware Cooperative Extension Office to provide 4-H at Hickory Tree. Activities include homework assistance, crafts, recreation, life and social skills. Approximately 20 children attend the summer and after-school activities.

SECTION VIII

MANAGEMENT INFORMATION FOR LEASED HOUSING

DSHA achieved a utilization rate of 95% for FY2007. No new incremental vouchers were awarded by HUD during FY2007.

One hundred and thirty-one families left the Housing Choice Voucher Program during the fiscal year. Of these, 24 families moved to unsubsidized units or paid the full rent at their current units, and eight families purchased a home. These 32 successful MTW families represent 24% of the move-outs for the year and are slightly lower than the previous fiscal year.

The lease-up rate for new voucher holders dropped to 55% during FY2007, which was a decrease from the previous year's 69%. Reasons behind the drop include a tightening rental market in Kent and Sussex County, where demand has driven up the price of rental units and poor landlord and credit references of voucher holders. DSHA has been proactive in promoting landlord outreach through newspaper advertisements, news releases and with the Delaware Apartment Association. DSHA has also worked to encourage Low Income Housing Tax Credit (LIHTC) properties to participate in the program. This has been very successful with the leasing of 55 new LIHTC units from January 1, 2007 to June 30, 2007. To assist voucher holders locate affordable units, DSHA publishes an "available units list" each week. The list is updated weekly and is provided via a hard copy or on-line through the DSHA website.

Although landlord interest in the voucher program remains high, the gap between rents requested and the Payment Standards for Kent and Sussex Counties, has affected DSHA's ability to bring more new landlords onto the program. Forty-two (42) new landlords joined the program during calendar year 2006 and as of June 30, 2007 fifty-two (52) landlords have elected to participate for 2007.

DSHA conducts a rent reasonableness comparison of all units entering the Housing Choice Voucher Program via an automated database to assure that the rent being charged is consistent with the local market. Rent reasonableness comparisons are also done when a rent increase is requested. Owners are reminded that rent increases are the responsibility of the family if the rent increase pushes the family's gross rent above the payment standard.

INSPECTIONS

DSHA performs initial, annual and special Housing Quality Standards (HQS) inspections. All units must pass the HQS inspection before the Housing Assistance Payments (HAP) contract can be signed. Units are then inspected annually within the required time frames. Units that fail re-inspection following the annual inspection have the HAP abated for the period they are out of compliance and are terminated from the program the month following the abatement if the owner fails to complete repairs. The unit is not allowed back in the program for six months. If the owner then provides written certification that the unit will be repaired within the time frames required by the program the unit will be allowed back in the program. The Section 8 Occupancy Supervisor and Housing Management Program Administrator do quality control re-inspections as required by program regulations.

SECTION IX RESIDENT PROGRAMS

This section reviews the resident programs pursued by DSHA during FY2007 for both Public Housing and Housing Choice Voucher residents. Listed below are highlights of the major items that occurred during FY2007.

A. RESIDENT SERVICES

1. **Financial Literacy** - DSHA continues to provide a certified Financial Literacy course to all MTW families. Completion of the course is required. Non-profit counseling agencies provide the course to Public Housing and Housing Choice Voucher families, and all MTW case managers have been trained to provide the course as needed.
2. **Adult Education** - DSHA purchased, installed and provided training to case managers for the TutorSystems Adult Basic Education (ABE)/General Equivalency Diploma (GED) program at all of its Public Housing family sites. DSHA continues to pursue partnerships with education providers to further utilize the program toward providing educational opportunities for residents.
3. **21st Century Grant** - University of Delaware 4-H program and Indian River School District received a 21st Century Grant, which will continue to provide a 4-H Program at our Hickory Tree site for the next five years.
4. **Resident Involvement** - DSHA continues to partner with the State Wide Association of Tenants (SWAT) and individual residents from the sites to establish Resident Councils. Two residents serve as Directors on the DSHA Resident Service Corporation Board. DSHA Management and Resident Service staff meet as requested with SWAT staff to work together on mutual programs and goals and to promote and encourage ongoing communication.
5. **Boys and Girls Club of Delaware** - DSHA has entered into an MOU with the Boys and Girls Club of Delaware to provide before- and after-school care, recreation, pregnancy prevention and alcohol use prevention at one site. The site has designated a Public Housing unit for the program's operation.
6. **Housing Choice Voucher Homeownership** – The Resident Homeownership Program (RHP) was implemented in April 2004 and is available to both Housing Choice Voucher and Public Housing families. So far, twenty-three families have been referred to this program. DSHA has contracted with NCALL, a non-profit housing counseling agency, to provide the required case management for the RHP. One family entered the program during FY2007.

7. **Annual Student Awards** - The annual youth student awards luncheon was held for outstanding scholastic achievement. Children from grades one through college received backpacks and school supplies for the coming school year. This event is funded through the Public Housing Resident Services budget.
8. **MTW Scholarship Program** - DSHA provides educational scholarships for MTW participants and eligible family members. These funds pay for fees and expenses not covered by traditional scholarship programs. Approved participants may use a total of \$500 for uniforms, lab fees and materials, computer rental and other items required to complete job training or education. The students are required to provide verification of successful completion of the course or return the money. In FY2007, DSHA provided 19 of these scholarships, which are funded by MTW Reserves.
9. **MTW Savings and Successful Moveouts** – Table 6 shown below updates the number of MTW Savings accounts, average balances and contributions. Table 7 shows the number of successful MTW Move-outs since 1999.

Moving to Work Savings

Table 6. Numbers as of June 30, 2007

Program	Current Participants	Total MTW Savings Accounts	Average MTW Savings Balance	Average Monthly Contribution
Public Housing	241	198	\$1986.28	\$138.00
Housing Choice Vouchers	150	132	\$2609.87	\$170.00
Total	391	330	\$2235.71	\$154.00

Moving to Work Successful Move-outs

Table 7. Numbers from 8/1/99 through 6/30/07

Program	Homeownership	Unsubsidized Rental
Public Housing	85	125
Housing Choice Vouchers	78	184
Total	163	309

B. PROGRAM CHANGES

None.

SECTION X
OTHER INFORMATION REQUIRED BY HUD

Attached are the following items:

General Order No. 491 adopting the Moving To Work Annual Report for FY2007.

The Audited Financial Reports are not available until September 30, 2007, 90 days after the close of our fiscal year. They will be forwarded under separate cover. The following Unaudited Financial Reports are attached.

HUD - 52267

HUD - 52596

HUD - 52681

GENERAL ORDER NO. 491

GENERAL ORDER ADOPTING
THE MOVING TO WORK ANNUAL
REPORT FOR FY2007

- WHEREAS, the Delaware State Housing Authority entered into a Moving to Work Demonstration Agreement with HUD; and
- WHEREAS, the Moving to Work Demonstration Agreement requires that the Delaware State Housing Authority submit an Annual Report; and
- WHEREAS, the Annual Report provides information on data and activities and on sources and uses of funding that Delaware State Housing Authority has undertaken through the Moving to Work Demonstration.

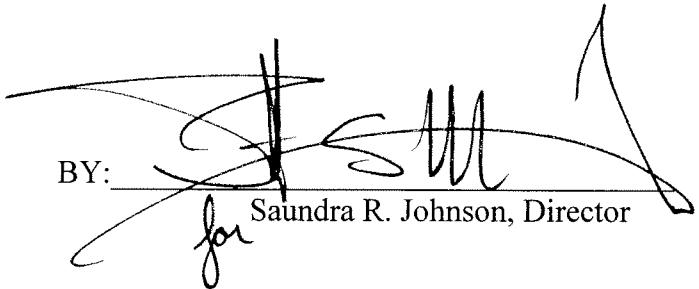
NOW THEREFORE, BE IT ORDERED as follows:

1. The Director has reviewed and approved the Moving to Work Annual Report for FY2007.

DELAWARE STATE HOUSING AUTHORITY

8/29/07
Date

BY:


for Sandra R. Johnson, Director

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
LOW-RENT HOUSING PROGRAM**

COMPUTATION OF PAYMENTS IN LIEU OF TAXES

TYPE OF PROJECT (S) City of Dover

☒ LHA Owned Rental Housing
☐ LHA Owned Homeownership

FOR FISCAL YEAR ENDED:
6/30/07

NAME OF LOCAL HOUSING AUTHORITY

Delaware State Housing Authority

CONTRACT NUMBER

P-4520

ADDRESS

18 The Green

Dover, DE 19901

PROJECT NUMBER (S)

DEL 4-11/12

COMPUTATION OF SHELTER RENT CHARGED

1. Dwelling Rental (Account 3110)	54,267.00	
2. Excess Utilities (Account 3120)	0.00	
3. Nondwelling Rental (Account 3190)		
Homebuyers Monthly Payments for:		
4. Earned Home Payments (Account 7712)		
5. Nonroutine Maintenance Reserve (Account 7714)		
6. Total Rental or Homebuyers Payments Charged (Lines 1 to 5)		54,267.00
7. Total Utilities Expense (Accounts in 4300 group)		70,414.87
8. SHELTER RENT CHARGED (Line 6 minus Line 7)		(16,147.87)

COMPUTATION OF SHELTER RENT COLLECTED (To be completed only if Cooperation

Agreement provides for payment of PILOT on basis of Shelter Rent Collected)

9. Accounts Receivable (Account 1122 or 1124) at beginning of fiscal year

10. Total of Lines 8 and 9.

Deductions:

11. Collection Losses (Account 4570) during current fiscal year

12. Accounts Receivable (Account 1122 or 1124) at end of fiscal year

13. SHELTER RENT COLLECTED (Line 10 minus total of Lines 11 & 12)

COMPUTATION OF APPROXIMATE FULL REAL PROPERTY TAXES

TAXING DISTRICTS (1)	ASSESSABLE VALUE (2)	TAX RATE (3)	AMOUNT (4)
14. Approximate Full Real Property Taxes (Total of amounts in Col. (4))			

PAYMENTS IN LIEU OF TAXES

15. 10% of Line 8 or Line 13, whichever is applicable 1/ (see instructions on reverse side) 0.00

16. PAYMENTS IN LIEU OF TAXES (Line 15 or Line 14, whichever is lesser) 0.00

Were any expenses incurred for the project(s) during the fiscal year for services or facilities which the local taxing body should have furnished under the terms of the Cooperation Agreement? [] YES [X] NO. If the answer is "yes," will such expenses be deducted from PILOT or otherwise collected from the applicable taxing body? [] YES [] NO. If the answer is "no," attach a statement showing the amount of such expenses incurred and the reason for not collecting.

1/ If the percentage specified in the Cooperation Agreement or the Contract with HUD is lower, such lower percentage shall be used.

PREPARED BY:

Name

Joan B. Smith
Joan B. Smith

Title Management Analyst III

Date 8/15/07

APPROVED BY:

Name

Douglas S. Croft
Douglas S. Croft

Title Assistant Director, Financial M

Date 8/15/07

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
LOW-RENT HOUSING PROGRAM

COMPUTATION OF PAYMENTS IN LIEU OF TAXES

TYPE OF PROJECT (S) Burton/Hickory

☒ LHA Owned Rental Housing
☐ LHA Owned Homeownership

 FOR FISCAL YEAR ENDED:
 6/30/07

NAME OF LOCAL HOUSING AUTHORITY

Delaware State Housing Authority

CONTRACT NUMBER

P-4520

ADDRESS

18 The Green

Dover, DE 19901

PROJECT NUMBER (S)

DEL 4-2,4-5,4-10

COMPUTATION OF SHELTER RENT CHARGED

1. Dwelling Rental (Account 3110)	40,378.26
2. Excess Utilities (Account 3120)	0.00
3. Nondwelling Rental (Account 3190)	
Homebuyers Monthly Payments for:	
4. Earned Home Payments (Account 7712)	
5. Nonroutine Maintenance Reserve (Account 7714)	
6. Total Rental or Homebuyers Payments Charged (Lines 1 to 5)	40,378.26
7. Total Utilities Expense (Accounts in 4300 group)	87,334.02
8. SHELTER RENT CHARGED (Line 6 minus Line 7)	(46,955.76)

COMPUTATION OF SHELTER RENT COLLECTED (To be completed only if Cooperation Agreement provides for payment of PILOT on basis of Shelter Rent Collected)

9. Accounts Receivable (Account 1122 or 1124) at beginning of fiscal year	
10. Total of Lines 8 and 9.	
Deductions:	
11. Collection Losses (Account 4570) during current fiscal year	
12. Accounts Receivable (Account 1122 or 1124) at end of fiscal year	
13. SHELTER RENT COLLECTED (Line 10 minus total of Lines 11 & 12)	

COMPUTATION OF APPROXIMATE FULL REAL PROPERTY TAXES

TAXING DISTRICTS (1)	ASSESSABLE VALUE (2)	TAX RATE (3)	AMOUNT (4)
14. Approximate Full Real Property Taxes (Total of amounts in Col. (4))			

PAYMENTS IN LIEU OF TAXES

15. 10% of Line 8 or Line 13, whichever is applicable 1/ (see instructions on reverse side)	0.00
16. PAYMENTS IN LIEU OF TAXES (Line 15 or Line 14, whichever is lesser)	0.00

Were any expenses incurred for the project(s) during the fiscal year for services or facilities which the local taxing body should have furnished under the terms of the Cooperation Agreement? [] YES [X] NO. If the answer is "yes," will such expenses be deducted from PILOT or otherwise collected from the applicable taxing body? [] YES [] NO. If the answer is "no," attach a statement showing the amount of such expenses incurred and the reason for not collecting.

1/ If the percentage specified in the Cooperation Agreement or the Contract with HUD is lower, such lower percentage shall be used.

PREPARED BY:

 Name Juan B. Smith
 John B. Smith
Title Management Analyst IIIDate 8/15/07

APPROVED BY:

 Name Douglas S. Croft
 Douglas S. Croft
Title Assistant Director, Financial MDate 8/15/07

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
LOW-RENT HOUSING PROGRAM**

COMPUTATION OF PAYMENTS IN LIEU OF TAXES

TYPE OF PROJECT (S) Sussex Cnty

☒ LHA Owned Rental Housing☐ LHA Owned Homeownership

FOR FISCAL YEAR ENDED:

6/30/07

NAME OF LOCAL HOUSING AUTHORITY

Delaware State Housing Authority

CONTRACT NUMBER

P-4520

ADDRESS

18 The Green

Dover, DE 19901

PROJECT NUMBER (S)

DEL 4-2/16,4-10,4-15

COMPUTATION OF SHELTER RENT CHARGED

1. Dwelling Rental (Account 3110)	7,816.00	
2. Excess Utilities (Account 3120)	0.00	
3. Nondwelling Rental (Account 3190)		
Homebuyers Monthly Payments for:		
4. Earned Home Payments (Account 7712)		
5. Nonroutine Maintenance Reserve (Account 7714)		
6. Total Rental or Homebuyers Payments Charged (Lines 1 to 5)		7,816.00
7. Total Utilities Expense (Accounts in 4300 group)		69,034.76
8. SHELTER RENT CHARGED (Line 6 minus Line 7)		(61,218.76)

COMPUTATION OF SHELTER RENT COLLECTED (To be completed only if Cooperation

Agreement provides for payment of PILOT on basis of Shelter Rent Collected)

9. Accounts Receivable (Account 1122 or 1124) at beginning of fiscal year	
10. Total of Lines 8 and 9.	
Deductions:	
11. Collection Losses (Account 4570) during current fiscal year	
12. Accounts Receivable (Account 1122 or 1124) at end of fiscal year	
13. SHELTER RENT COLLECTED (Line 10 minus total of Lines 11 & 12)	

COMPUTATION OF APPROXIMATE FULL REAL PROPERTY TAXES

TAXING DISTRICTS (1)	ASSESSABLE VALUE (2)	TAX RATE (3)	AMOUNT (4)

14. Approximate Full Real Property Taxes (Total of amounts in Col. (4))

PAYMENTS IN LIEU OF TAXES

15. 10% of Line 8 or Line 13, whichever is applicable 1/ (see instructions on reverse side)

0.00

16. PAYMENTS IN LIEU OF TAXES (Line 15 or Line 14, whichever is lesser)

0.00

Were any expenses incurred for the project(s) during the fiscal year for services or facilities which the local taxing body should have furnished under the terms of the Cooperation Agreement? [] YES [X] NO. If the answer is "yes," will such expenses be deducted from PILOT or otherwise collected from the applicable taxing body? [] YES [] NO. If the answer is "no," attach a statement showing the amount of such expenses incurred and the reason for not collecting.

1/ If the percentage specified in the Cooperation Agreement or the Contract with HUD is lower, such lower percentage shall be used.

PREPARED BY:

Name Joan B. Smith

Joan B. Smith

Title Management Analyst IIIDate 8/15/07

APPROVED BY:

Name Douglas S. Croft

Douglas S. Croft

Title Assistant Director, Financial MDate 8/15/07

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
LOW-RENT HOUSING PROGRAM

COMPUTATION OF PAYMENTS IN LIEU OF TAXES

TYPE OF PROJECT (S) Kent Cnty

☒ LHA Owned Rental Housing
☐ LHA Owned Homeownership

 FOR FISCAL YEAR ENDED:
 6/30/07

NAME OF LOCAL HOUSING AUTHORITY

Delaware State Housing Authority

CONTRACT NUMBER

P-4520

ADDRESS

18 The Green

Dover, DE 19901

PROJECT NUMBER (S)

DEL 4-3, 4-10, 4-15

COMPUTATION OF SHELTER RENT CHARGED

1. Dwelling Rental (Account 3110)	99,533.83	
2. Excess Utilities (Account 3120)	0.00	
3. Nondwelling Rental (Account 3190)		
Homebuyers Monthly Payments for:		
4. Earned Home Payments (Account 7712)		
5. Nonroutine Maintenance Reserve (Account 7714)		
6. Total Rental or Homebuyers Payments Charged (Lines 1 to 5)		99,533.83
7. Total Utilities Expense (Accounts in 4300 group)		55,560.33
8. SHELTER RENT CHARGED (Line 6 minus Line 7)		43,973.50

COMPUTATION OF SHELTER RENT COLLECTED (To be completed only if Cooperation Agreement provides for payment of PILOT on basis of Shelter Rent Collected)

9. Accounts Receivable (Account 1122 or 1124) at beginning of fiscal year

10. Total of Lines 8 and 9.

Deductions:

11. Collection Losses (Account 4570) during current fiscal year

12. Accounts Receivable (Account 1122 or 1124) at end of fiscal year

13. SHELTER RENT COLLECTED (Line 10 minus total of Lines 11 & 12)

COMPUTATION OF APPROXIMATE FULL REAL PROPERTY TAXES

TAXING DISTRICTS (1)	ASSESSABLE VALUE (2)	TAX RATE (3)	AMOUNT (4)
14. Approximate Full Real Property Taxes (Total of amounts in Col. (4))			

PAYMENTS IN LIEU OF TAXES

15. 10% of Line 8 or Line 13, whichever is applicable 1/ (see instructions on reverse side) 4,397.35

16. PAYMENTS IN LIEU OF TAXES (Line 15 or Line 14, whichever is lesser) 4,397.35

Were any expenses incurred for the project(s) during the fiscal year for services or facilities which the local taxing body should have furnished under the terms of the Cooperation Agreement? [] YES [X] NO. If the answer is "yes," will such expenses be deducted from PILOT or otherwise collected from the applicable taxing body? [] YES [] NO. If the answer is "no," attach a statement showing the amount of such expenses incurred and the reason for not collecting.

1/ If the percentage specified in the Cooperation Agreement or the Contract with HUD is lower, such lower percentage shall be used.

PREPARED BY:

 Name Joan B. Smith
 Joan B. Smith
Title Management Analyst IIIDate 8/15/07

APPROVED BY:

 Name Douglas S. Croft
 Douglas S. Croft
Title Assistant Director, Financial MDate 8/15/07

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
LOW-RENT HOUSING PROGRAMTYPE OF PROJECT (S) Smy Sites
☒ LHA Owned Rental Housing
☐ LHA Owned Homeownership**COMPUTATION OF PAYMENTS IN LIEU OF TAXES**FOR FISCAL YEAR ENDED:
6/30/07

NAME OF LOCAL HOUSING AUTHORITY

Delaware State Housing Authority

CONTRACT NUMBER

P-4520

ADDRESS

18 The Green

Dover, DE 19901

PROJECT NUMBER (S)

DEL 4-10, 4-15

COMPUTATION OF SHELTER RENT CHARGED

1. Dwelling Rental (Account 3110)	10,809.00	
2. Excess Utilities (Account 3120)	0.00	
3. Nondwelling Rental (Account 3190)		
Homebuyers Monthly Payments for:		
4. Earned Home Payments (Account 7712)		
5. Nonroutine Maintenance Reserve (Account 7714)		
6. Total Rental or Homebuyers Payments Charged (Lines 1 to 5)		10,809.00
7. Total Utilities Expense (Accounts in 4300 group)		1,388.26
8. SHELTER RENT CHARGED (Line 6 minus Line 7)		9,420.74

COMPUTATION OF SHELTER RENT COLLECTED (To be completed only if Cooperation

Agreement provides for payment of PILOT on basis of Shelter Rent Collected)

9. Accounts Receivable (Account 1122 or 1124) at beginning of fiscal year

10. Total of Lines 8 and 9.

Deductions:

11. Collection Losses (Account 4570) during current fiscal year

12. Accounts Receivable (Account 1122 or 1124) at end of fiscal year

13. SHELTER RENT COLLECTED (Line 10 minus total of Lines 11 & 12)

COMPUTATION OF APPROXIMATE FULL REAL PROPERTY TAXES

TAXING DISTRICTS (1)	ASSESSABLE VALUE (2)	TAX RATE (3)	AMOUNT (4)
14. Approximate Full Real Property Taxes (Total of amounts in Col. (4))			

PAYMENTS IN LIEU OF TAXES

15. 10% of Line 8 or Line 13, whichever is applicable 1/ (see instructions on reverse side) 942.07

16. PAYMENTS IN LIEU OF TAXES (Line 15 or Line 14, whichever is lesser) 942.07

Were any expenses incurred for the project(s) during the fiscal year for services or facilities which the local taxing body should have furnished under the terms of the Cooperation Agreement? [] YES [X] NO. If the answer is "yes," will such expenses be deducted from PILOT or otherwise collected from the applicable taxing body? [] YES [] NO. If the answer is "no," attach a statement showing the amount of such expenses incurred and the reason for not collecting.

1/ If the percentage specified in the Cooperation Agreement or the Contract with HUD is lower, such lower percentage shall be used.

PREPARED BY:

Name Jean B. Smith

Jean B. Smith

Title Management Analyst IIIDate 8/15/07

APPROVED BY:

Name Douglas S. Croft

Douglas S. Croft

Title Assistant Director, Financial MDate 8/15/07

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
LOW-RENT HOUSING PROGRAM

COMPUTATION OF PAYMENTS IN LIEU OF TAXES

TYPE OF PROJECT (S) Smy Sites

☒ LHA Owned Rental Housing☐ LHA Owned Homeownership

FOR FISCAL YEAR ENDED:

6/30/07

NAME OF LOCAL HOUSING AUTHORITY

Delaware State Housing Authority

CONTRACT NUMBER

P-4520

ADDRESS

18 The Green

Dover, DE 19901

PROJECT NUMBER (S)

DEL 4-4

COMPUTATION OF SHELTER RENT CHARGED

1. Dwelling Rental (Account 3110)	88,173.00	
2. Excess Utilities (Account 3120)	0.00	
3. Nondwelling Rental (Account 3190)		
Homebuyers Monthly Payments for:		
4. Earned Home Payments (Account 7712)		
5. Nonroutine Maintenance Reserve (Account 7714)		
6. Total Rental or Homebuyers Payments Charged (Lines 1 to 5)		88,173.00
7. Total Utilities Expense (Accounts in 4300 group)		61,389.63
8. SHELTER RENT CHARGED (Line 6 minus Line 7)		26,783.37

COMPUTATION OF SHELTER RENT COLLECTED (To be completed only if Cooperation

Agreement provides for payment of PILOT on basis of Shelter Rent Collected)

9. Accounts Receivable (Account 1122 or 1124) at beginning of fiscal year

10. Total of Lines 8 and 9.

Deductions:

11. Collection Losses (Account 4570) during current fiscal year

12. Accounts Receivable (Account 1122 or 1124) at end of fiscal year

13. SHELTER RENT COLLECTED (Line 10 minus total of Lines 11 & 12)

COMPUTATION OF APPROXIMATE FULL REAL PROPERTY TAXES

TAXING DISTRICTS (1)	ASSESSABLE VALUE (2)	TAX RATE (3)	AMOUNT (4)
14. Approximate Full Real Property Taxes (Total of amounts in Col. (4))			

PAYMENTS IN LIEU OF TAXES

15. 10% of Line 8 or Line 13, whichever is applicable 1/ (see instructions on reverse side) 2,678.34

16. PAYMENTS IN LIEU OF TAXES (Line 15 or Line 14, whichever is lesser) 2,678.34

Were any expenses incurred for the project(s) during the fiscal year for services or facilities which the local taxing body should have furnished under the terms of the Cooperation Agreement? [] YES [X] NO. If the answer is "yes," will such expenses be deducted from PILOT or otherwise collected from the applicable taxing body? [] YES [] NO. If the answer is "no," attach a statement showing the amount of such expenses incurred and the reason for not collecting.

1/ If the percentage specified in the Cooperation Agreement or the Contract with HUD is lower, such lower percentage shall be used.

PREPARED BY:

Name

Joan B. Smith

Title Management Analyst III

Date 8/15/07

APPROVED BY:

Name

Douglas S. Croft

Title Assistant Director, Financial M

Date 8/15/07

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
LOW-RENT HOUSING PROGRAM

COMPUTATION OF PAYMENTS IN LIEU OF TAXES

TYPE OF PROJECT (S) Smy Sites

☒ LHA Owned Rental Housing☐ LHA Owned Homeownership

FOR FISCAL YEAR ENDED:

6/30/07

NAME OF LOCAL HOUSING AUTHORITY

Delaware State Housing Authority

CONTRACT NUMBER

P-4520

ADDRESS

18 The Green

Dover, DE 19901

PROJECT NUMBER (S)

DEL 4-10

COMPUTATION OF SHELTER RENT CHARGED

1. Dwelling Rental (Account 3110)	3,574.00	
2. Excess Utilities (Account 3120)	0.00	
3. Nondwelling Rental (Account 3190)		
Homebuyers Monthly Payments for:		
4. Earned Home Payments (Account 7712)		
5. Nonroutine Maintenance Reserve (Account 7714)		
6. Total Rental or Homebuyers Payments Charged (Lines 1 to 5)		3,574.00
7. Total Utilities Expense (Accounts in 4300 group)		451.21
8. SHELTER RENT CHARGED (Line 6 minus Line 7)		3,122.79

COMPUTATION OF SHELTER RENT COLLECTED (To be completed only if Cooperation

Agreement provides for payment of PILOT on basis of Shelter Rent Collected)

9. Accounts Receivable (Account 1122 or 1124) at beginning of fiscal year		
10. Total of Lines 8 and 9.		
Deductions:		
11. Collection Losses (Account 4570) during current fiscal year		
12. Accounts Receivable (Account 1122 or 1124) at end of fiscal year		
13. SHELTER RENT COLLECTED (Line 10 minus total of Lines 11 & 12)		

COMPUTATION OF APPROXIMATE FULL REAL PROPERTY TAXES

TAXING DISTRICTS (1)	ASSESSABLE VALUE (2)	TAX RATE (3)	AMOUNT (4)
14. Approximate Full Real Property Taxes (Total of amounts in Col. (4))			

PAYMENTS IN LIEU OF TAXES

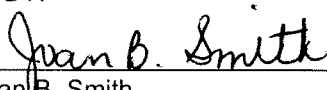
15. 10% of Line 8 or Line 13, whichever is applicable 1/ (see instructions on reverse side)	312.28
16. PAYMENTS IN LIEU OF TAXES (Line 15 or Line 14, whichever is lesser)	312.28

Were any expenses incurred for the project(s) during the fiscal year for services or facilities which the local taxing body should have furnished under the terms of the Cooperation Agreement? [] YES [X] NO. If the answer is "yes," will such expenses be deducted from PILOT or otherwise collected from the applicable taxing body? [] YES [] NO. If the answer is "no," attach a statement showing the amount of such expenses incurred and the reason for not collecting.

1/ If the percentage specified in the Cooperation Agreement or the Contract with HUD is lower, such lower percentage shall be used.

PREPARED BY:

Name



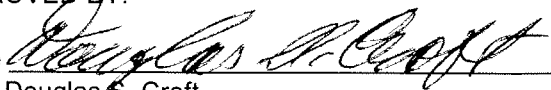
Joan B. Smith

Title Management Analyst III

Date 8/15/07

APPROVED BY:

Name



Douglas S. Croft

Title Assistant Director, Financial M

Date 8/15/07

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
LOW-RENT HOUSING PROGRAM**COMPUTATION OF PAYMENTS IN LIEU OF TAXES**

TYPE OF PROJECT (S) Smy Sites

☒ LHA Owned Rental Housing
☐ LHA Owned Homeownership

FOR FISCAL YEAR ENDED:

6/30/07

NAME OF LOCAL HOUSING AUTHORITY

Delaware State Housing Authority

CONTRACT NUMBER

P-4520

ADDRESS

18 The Green

Dover, DE 19901

PROJECT NUMBER (S)

DEL 4-8

COMPUTATION OF SHELTER RENT CHARGED

1. Dwelling Rental (Account 3110)	63,780.00	
2. Excess Utilities (Account 3120)	0.00	
3. Nondwelling Rental (Account 3190)		
Homebuyers Monthly Payments for:		
4. Earned Home Payments (Account 7712)		
5. Nonroutine Maintenance Reserve (Account 7714)		
6. Total Rental or Homebuyers Payments Charged (Lines 1 to 5)		63,780.00
7. Total Utilities Expense (Accounts in 4300 group)		49,215.40
8. SHELTER RENT CHARGED (Line 6 minus Line 7)		14,564.60

COMPUTATION OF SHELTER RENT COLLECTED (To be completed only if Cooperation

Agreement provides for payment of PILOT on basis of Shelter Rent Collected)

9. Accounts Receivable (Account 1122 or 1124) at beginning of fiscal year

10. Total of Lines 8 and 9.

Deductions:

11. Collection Losses (Account 4570) during current fiscal year

12. Accounts Receivable (Account 1122 or 1124) at end of fiscal year

13. SHELTER RENT COLLECTED (Line 10 minus total of Lines 11 & 12)

COMPUTATION OF APPROXIMATE FULL REAL PROPERTY TAXES

TAXING DISTRICTS (1)	ASSESSABLE VALUE (2)	TAX RATE (3)	AMOUNT (4)
14. Approximate Full Real Property Taxes (Total of amounts in Col. (4))			

PAYMENTS IN LIEU OF TAXES

15. 10% of Line 8 or Line 13, whichever is applicable 1/ (see instructions on reverse side) 1,456.46

16. PAYMENTS IN LIEU OF TAXES (Line 15 or Line 14, whichever is lesser) 1,456.46

Were any expenses incurred for the project(s) during the fiscal year for services or facilities which the local taxing body should have furnished under the terms of the Cooperation Agreement? [] YES [X] NO. If the answer is "yes," will such expenses be deducted from PILOT or otherwise collected from the applicable taxing body? [] YES [] NO. If the answer is "no," attach a statement showing the amount of such expenses incurred and the reason for not collecting.

1/ If the percentage specified in the Cooperation Agreement or the Contract with HUD is lower, such lower percentage shall be used.

PREPARED BY:

Name

Joan B. Smith

Joan B. Smith

Title Management Analyst III

Date 8/15/07

APPROVED BY:

Name

Douglas S. Croft

Douglas S. Croft

Title Assistant Director, Financial M

Date 8/15/07

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
LOW-RENT HOUSING PROGRAM**COMPUTATION OF PAYMENTS IN LIEU OF TAXES**

TYPE OF PROJECT (S) Smy Sites

☒ LHA Owned Rental Housing
☐ LHA Owned Homeownership

FOR FISCAL YEAR ENDED:

6/30/07

NAME OF LOCAL HOUSING AUTHORITY

Delaware State Housing Authority

CONTRACT NUMBER

P-4520

ADDRESS

18 The Green

Dover, DE 19901

PROJECT NUMBER (S)

DEL 4-9,4-13

COMPUTATION OF SHELTER RENT CHARGED

1. Dwelling Rental (Account 3110)	106,418.00	
2. Excess Utilities (Account 3120)	0.00	
3. Nondwelling Rental (Account 3190)		
Homebuyers Monthly Payments for:		
4. Earned Home Payments (Account 7712)		
5. Nonroutine Maintenance Reserve (Account 7714)		
6. Total Rental or Homebuyers Payments Charged (Lines 1 to 5)		106,418.00
7. Total Utilities Expense (Accounts in 4300 group)		61,683.41
8. SHELTER RENT CHARGED (Line 6 minus Line 7)		44,734.59

COMPUTATION OF SHELTER RENT COLLECTED (To be completed only if Cooperation

Agreement provides for payment of PILOT on basis of Shelter Rent Collected)

9. Accounts Receivable (Account 1122 or 1124) at beginning of fiscal year

10. Total of Lines 8 and 9.

Deductions:

11. Collection Losses (Account 4570) during current fiscal year

12. Accounts Receivable (Account 1122 or 1124) at end of fiscal year

13. SHELTER RENT COLLECTED (Line 10 minus total of Lines 11 & 12)

COMPUTATION OF APPROXIMATE FULL REAL PROPERTY TAXES

TAXING DISTRICTS (1)	ASSESSABLE VALUE (2)	TAX RATE (3)	AMOUNT (4)
14. Approximate Full Real Property Taxes (Total of amounts in Col. (4))			

PAYMENTS IN LIEU OF TAXES

15. 10% of Line 8 or Line 13, whichever is applicable 1/ (see instructions on reverse side) 4,473.46

16. PAYMENTS IN LIEU OF TAXES (Line 15 or Line 14, whichever is lesser) 4,473.46

Were any expenses incurred for the project(s) during the fiscal year for services or facilities which the local taxing body should have furnished under the terms of the Cooperation Agreement? [] YES [X] NO. If the answer is "yes," will such expenses be deducted from PILOT or otherwise collected from the applicable taxing body? [] YES [] NO. If the answer is "no," attach a statement showing the amount of such expenses incurred and the reason for not collecting.

1/ If the percentage specified in the Cooperation Agreement or the Contract with HUD is lower, such lower percentage shall be used.

PREPARED BY:

Name

Joan B. Smith

Joan B. Smith

Title Management Analyst III

Date 8/15/07

APPROVED BY:

Name

Douglas S. Croft

Douglas S. Croft

Title Assistant Director, Financial M

Date 8/15/07

ADDRESS 18 The Green
Dover, DE 19901

CONTRACT NO. P-4520 PROJECT NUMBER(S) 4-2,4-3,4-4,4-5,4-8,4-9,4-10,4-11,4-12,4-13,4-15,4-16

FOR FISCAL YEAR ENDED 6/30/07

**STATEMENT OF INCOME AND EXPENSE
AND CHANGES IN ACCUMULATED SURPLUS
OR DEFICIT FROM OPERATIONS**

LINE NO.	ACCT. NO.		DEBIT	CREDIT
INCOME AND EXPENSE				
		INCOME:		
+1	3000	Operating Income		1,038,661.79
2	5210	Premiums on Notes and Bonds		
3	5220	Bond Purchase Discount		
4	5230.1	Interest on Debt Service Fund Investments		
5	5230.2	Interest on Other Debt Amortization Fund Investments		
6	5240	Interest on Payments for Off-Site Utilities		
		EXPENSE:		
7	4000	Operating Expense	3,496,938.85	
8	5610	Interest on Notes and Bonds Payable		
9	5640	Bond Redemption Premiums		
		SURPLUS CREDITS AND CHARGES:		
10	6010	Prior Year Adjustments - Affecting Residual Receipts (or Deficit)	0.00	
11	6020	Prior Year Adjustments - Not Affecting Residual Receipts		
12	6110	Gain or Loss from Disposition of Real Property		
13	6120	Gain or Loss from Disposition of Nonexpendable Equipment	0.00	
14		Residual Receipts - Initial Operating Period (Credit)		
15		Totals (Lines 1 through 14)	3,496,938.85	1,038,661.79
16		NET INCOME OR DEFICIT - CURRENT YEAR (Net debit or credit difference between total debits and credits on Line 15)	2,458,277.06	
CHANGES IN ACCUMULATED SURPLUS OR DEFICIT FROM OPERATIONS				
	2810	UNRESERVED SURPLUS:		
17		Balance at end of previous fiscal year when books were closed	(57,104,593.54)	
18		Total debit and credit adjustments during current fiscal year	(4,437,751.85)	
19		Net income or deficit-current year (Line 16)	2,458,277.06	
20	7010	Provision for Operating Reserve-Locally Owned Projects	(516,748.06)	
21	7011	Provision for Operating Reserve-Leased Projects		
22	7013	Provision for Operating Reserve-Homeownership Projects		
23		Totals (Lines 17 through 22)	(59,600,816.39)	0.00
24	2810	Unreserved Surplus balance at end of current fiscal year (net debit or credit difference between total debits and credits on Line 23)		59,600,816.39
	2820	OPERATING RESERVE-LOCALLY OWNED PROJECTS:		
25		Balance at end of previous fiscal year when books were closed		915,078.45
26		Total debit and credit entries to Account 2820 during current fiscal year	0.00	(516,748.06)
27		Totals (Lines 25 and 26)	0.00	398,330.39
28	2820	Operating Reserve Balance at end of Current fiscal year (net credit difference between total debits and credits on Line 27)		398,330.39
	2821	OPERATING RESERVE-LEASED PROJECTS:		
29		Balance at end of previous fiscal year when books were closed		
30		Total debit and credit entries to Account 2821 during current fiscal year		
31		Totals (Lines 29 and 30)		
32	2821	Operating Reserve balance at end of current fiscal year (net credit difference between total debits and credits on Line 31)		
	2823	OPERATING RESERVE-HOMEOWNERSHIP PROJECTS:		
33		Balance at end of previous fiscal year when books were closed		
34		Total debit and credit entries to Account 2823 during current fiscal year		
35		Totals (Lines 33 and 34)		
36	2823	Operating Reserve balance at end of current fiscal year (net credit difference between total debits and credits on Line 35)		
37		ACCUMULATED SURPLUS OR DEFICIT FROM OPERATIONS (net debit or credit total of balances on Lines 24, 28, 32, and 36)	(59,999,146.78)	

PREPARED BY:

Signature Joan B. Smith
Joan B. Smith
Title Management Analyst III Date 8/15/07

APPROVED BY:

Signature Douglas S. Croft
Douglas S. Croft
Title Assistant Director, Financial Manager Date 8/15/07

Voucher for Payment of Annual Contributions and Operating Statement

U.S. Department of Housing
and Urban Development

Housing Assistance Payments Program



VOUCHER

Note: See Instructions in appropriate program handbooks.

OMB No. 2502-0348 (exp. 10/31/86)

1. Public Housing Agency (Name and Address) Delaware State Housing Authority 18 The Green Dover, DE 19901		2. Program Type <input type="checkbox"/> Section 23 <input checked="" type="checkbox"/> Section 8 4. PHA Annual Contributions Contract No. DE 901		3. Project No. DE901VOW011		Voucher No. (HUD Use Only)	
5. PHA Fiscal Year Ending Date (Mark one and complete year) <input type="checkbox"/> (a) March 31. <input checked="" type="checkbox"/> (b) June 30. <input type="checkbox"/> (c) Sept. 30. <input type="checkbox"/> (d) December 31. 2007		6. HUD Field Office PHILADELPHIA, PA		7. HUD Regional Office PHILADELPHIA, PA		8. Beg. Date of First PHA Fiscal Year FEB. 1977	
9. Housing Program Type (Mark One) <input type="checkbox"/> (a) New Construction <input type="checkbox"/> (b) Substantial Rehab. <input type="checkbox"/> (c) Moderate Rehab. <input checked="" type="checkbox"/> (d) Existing Housing Certificates <input checked="" type="checkbox"/> (e) Housing Vouchers		10. Number of Dwelling Units Under Acc (Supported by Annual Contributions) 905 Under Lease 0		11. Number of unit Months 10,860			

Request is hereby made for the payment of annual contributions pursuant to the terms and conditions of the above numbered Annual Contributions Contract for the project and fiscal year shown above.

Part I. Request for Payment

Part I. Request for Payment							
	Approved Budget Estimates (a)	PHA Actuals (Housing Vouchers Only)		PHA Actuals Total (d)	HUD Approved (Housing Vouchers Only)		HUD Approved Total (g)
		Housing Payments (b)	PHA Fee (c)		Housing Payments (e)	PHA Fee (f)	
Maximum Annual Contributions Available							
12 Maximum Annual Contributions Commitment (per ACC)							
13 Prorata Maximum Annual Contributions Applicable to a Period in Excess of Twelve Months							
14 Maximum Annual Contribution for Fiscal Year (Lines 12 and 13)	5,768,229			5,768,229			
15 Contingency Reserve, Project Account or Subsidy or Fee Reserve							
2825 Section 23 Projects							
2827 Section 8 Projects							
2827.1 Housing Voucher Subsidy							
2827.2 Housing Voucher Fees							
16 Total Annual Contributions Available	5,768,229			5,768,229			
Annual Contributions Required							
17 4715 Housing Assistance Payments	4,308,637			4,308,637			
18 Security and Utility Deposit Fund (Section 23 Only)							
19 Ongoing Administrative Fees Earned							
20 Hard-to-House Fees Earned (Existing and Housing Vouchers Only)	1,448,815			1,448,815			
21 Actual Independent Public Accountant Audit Costs	10,777			10,777			
22 Actual Preliminary Administrative and General Expense							

Previous Editions Are Obsolete

VOUCHER

	Approved Budget Estimates (a)	PHA Actuals (Housing Vouchers Only)		PHA Actuals Total (d)		HUD Approved (Housing Vouchers Only)		HUD Approved Total (g)
		Housing Payments (b)	PHA Fee (c)			Housing Payments (e)	PHA Fee (f)	
23 Prior Year Admin Fee Adjustment Reimbursement Attributable to Carryover from FY ending:								
24 Actual Preliminary Non-Expendable Equipment Expense FY ending:								
25 Actual Preliminary Non-Expendable Expense Attributable to Carryover from FY ending:								
26 Total of Funds Required (Lines 17 through 25)	5,768,229			5,768,229				
27 Deficit at End of Preceding Fiscal Year								
28 Project Receipts Other Than Annual Contributions (3610, 7530 and Section 23 Security and Utility Deposits Repaid)								
29 Ongoing Administrative Fee Reduction								
30 Total Annual Contributions Required (Lines 26 plus 27 minus 28 minus 29, if applicable)				5,768,229				
Balance of Annual Contributions Available								
31 Project Account Balance (Amount by which Line 16 exceeds Line 30)								
32 Deficit (Amount by which Line 30 exceeds Line 16)								
33 Provision for Project Account								
a) Increase (Amount by which Line 31 exceeds Line 15.)								
b) Decrease (Amount by which Line 15 exceeds Line 31)								
Year End Settlement								
34 Annual Contributions Due for Fiscal Year (Line 30 minus 32)				5,768,229				
35 Total Partial Payments Approved by HUD for Fiscal Year				5,768,229				
36 Underpayment due PHA (Amount by which Line 34 Exceeds Line 35)								
37 Overpayment due HUD (Amount by which Line 35 exceeds Line 34)								
Part II. Operating Receipts								
38 3300 Interest Earned on Operating Reserve Investments				5,941				
39 3610 Interest Earned on General Fund Investment								
40 3690 Other Income-HA Share of Tenant Fraud Pmts				98,983				
41 7530 Receipts from Non-Expendable Equipment not Replaced								
42 Total Operating Income (Lines 38 through 41)				104,924				
43 Total Annual Contributions Required (Line 30)				5,768,229				
44 Total Receipts (Lines 42 and 43)				5,873,153				

Part III. Operating Expenditures		Approved Budget Estimates (a)	PHA Actuals (Housing Vouchers Only)		PHA Actuals Total (d)	HUD Approved (Housing Vouchers Only)		HUD Approved Total (g)
			Housing Payments (b)	PHA Fee (c)		Housing Payments (e)	PHA Fee (f)	
45	4715 Housing Assistance Payments				4,308,637			
46	Independent Public Accountant Costs (Section 8 Only)				10,777			
Ongoing Administrative Expense								
47	4110 Administrative Salaries				51,577			
48	4130 Legal Expense				11,575			
49	4150 Travel				470			
50	4170 Accounting Fees							
51	4180 Office Rent							
52	7520 Replacement of Non-Expendable Equipment							
53	7540 Property Betterments and Additions							
54	4190 Sundry Administrative Expense				804,776			
55	4400 Maintenance and Operation (Non-Expendable Equipment)							
56	4510 Insurance				21,285			
57	4530 Terminal Leave Payments							
58	4540 Employee Benefit Contributions				13,348			
59	4590 Other General Expense							
60	Total Administrative Expense (Lines 47 through 59)				903,031			
Preliminary Expense (Attach Supporting Documentation)								
61	4012/4110 Administrative Salaries							
62	4012/4130 Legal Expense							
63	4012/4150 Travel							
64	4012/4170 Accounting Fees							
65	4012/4180 Office Rent							
66	4012/7520 Replacement of Non-Expendable Equipment							
67	4012/7540 Property Betterments and Additions							
68	4012/4190 Sundry Administrative Expense							
69	4012/4540 Employee Benefit Contributions							
70	4012/4400 Maintenance and Operation (Non-Expendable Equipment)							
71	4012/4510 Insurance							
72	Total Preliminary Expense (Lines 61 through 71)							
73	Total Operating Expenditures (Total of Lines 45, 46, 60, 72)				5,222,445			
Prior Year Adjustments								
74	Affecting Residual Receipts (or Deficit) - for Debit (Credit)							
75	Total Operating Expenses (Lines 73 and 74)				5,222,445			
76	Net Income (or Deficit) before Provision for Operating Reserve (Line 44 minus Line 75)				650,708			

Part IV. Analysis of Operating Reserve			HUD Approved Total (g)	HUD Approved Total (g)
PHIA Actual Total (d)		Part IV. Analysis of Operating Reserve		
7 Operating Reserve - Balance at Beginning of Fiscal Year Covered by This Statement 2824 Section 23 2826 Section 8 2826.1 Housing Vouchers	4,309	Status of Contingency Reserve (Section 23 Projects Only) 87 2825 Contingency Reserve - Balance at the End of Fiscal Year (Line 31 or 10% of Line 12, whichever is the lesser 88 7025 Prov. for Contingency Reserve a) Increase (Amount by which Line 87 exceeds Line 15) b) Decrease (Amount by which Line 15 exceeds Line 87)		
8 Cash Withdrawals for Reserve During Fiscal Year				
9 Net Operating Reserve After Cash Withdrawals (Line 77 minus Line 78)	4,309			
10 Net Income (or Deficit) before Provision for Operating Reserve (Line 76)	650,708	Status of Security and Utility Deposit Fund (Section 23 Proj) 89 2168.1 Security and Utility Deposit Funds Provided		
11 Net Deficit Brought Forward From Preceding Fiscal Year (Line 86)				
12 Total Income (or Deficit) (Line 80 minus Line 81)	650,708	90 2168.2 Security and Utility Deposits (Uncollectable Advances)		
Provision for Operating Reserve (Acct. 7016/Sec. 8; Acct. 7016/Hsg. Vouchers)		91 Balance of Security and Utility Deposit Fund (Line 89 minus Line 90)		
13 Addition (The amount of income, if any, on Line 82)	650,708	92 1127 Accounts Receivable - Advances for Security and Utility Deposits		
14 Deduction (The amount of deficit, if any, on Line 82, but not to exceed the amount on Line 80)		93 Security and Utility Deposit Funds Available (Line 91 minus Line 92)		
15 Operating Reserve - Balance at End of Fiscal Year Covered by This Statement (Line 79 plus Line 83 minus Line 84, as applicable)	655,017			
16 Deficit at End of Fiscal Year Covered by This Statement, if any (Line 82 minus Line 84)				

I Certify that (1) housing assistance payments have been or will be made only in accordance with Housing Assistance Payments Contracts or Housing Voucher Contracts in the form prescribed by HUD and in accordance with HUD regulations and Requirements; (2) units have been inspected by the PHA in accordance with HUD regulations and requirements; and (3) this voucher for annual contributions has been examined by me and to the best of my knowledge and belief is true, correct and complete.

Name of Public Housing Agency

Delaware State Housing Authority

Signature and Title of Authorized Official (and Date)

Douglas S. Croft
Douglas S. Croft Assistant Director, Financial Management 8/15/07

The Field Office has reviewed the Ongoing Administrative Expenses and the Supporting Documentation for the Preliminary Expenses. They are approved subject to audit verification.

For Regional Office Use Only
Reviewed by: (Signature and Date)

Signature of the Director, Housing Management Division

Overpayment Received from PHA

Underpayment Certified for Payment to the PHA

Date Underpayment Certified

\$

\$

\$